



Helen E. Zakin
President

Sean Treglia
Vice President

Paul H. Turner

Nedra Jenkins

Vacant

200 North Spring Street
City Hall – 24th Floor
Los Angeles CA 90012
(213) 978-1960
(213) 978-1988 Fax
<http://ethics.lacity.org>

Whistleblower Hotline:
(213) 978-1999
(800) 824-4825

MEMORANDUM

February 9, 2009

To: All Department Heads, Board Members, and Commissioners

From: LeeAnn Pelham, Executive Director
City Ethics Commission

Re: **ANNUAL STATEMENTS OF ECONOMIC INTERESTS FILING –
INFORMATION AND INSTRUCTIONS**

As you know, each year the City Ethics Commission oversees the annual filing of Statements of Economic Interests (State Form 700) by over 5,000 individuals who make or participate in making governmental decisions on the public's behalf. Full, complete and timely filings by those individuals – whose positions are recognized in Schedule A of their department's Conflict of Interest Code -- are the cornerstones of open and accountable City government. **State law requires you, as one of these filers, to complete and submit your annual Statement of Economic Interest no later than April 1, 2009.**

This annual filing notice is designed to provide you with the background and information you'll need to get started on your April filing requirements. As always, if I or my staff can be of assistance to you, please feel free to call us at (213) 978-1960, and thank you in advance for your attention to this important matter.

Special Note for New Appointees

If you assumed your position on or after October 1, 2008 and you completed an "assuming office" statement within 30 days of assuming your position, you need not file an annual statement at this time. If you did not file an assuming office statement at that time, you must complete one now. For instructions and filing materials please visit the CEC's SEI filer webpage at:

<http://ethics.lacity.org/infofor/seifilers>

Why File a Statement of Economic Interests?

Public financial disclosure serves two purposes. First, completing a Statement of Economic Interests helps assure that you regularly monitor whether any financial interests you hold could be affected by the governmental decisions you make. Making a decision in the course of doing your City job that affects any of your personal financial interests, even if unintentional, could be a conflict of interest and a violation of the law. Your Statement of Economic Interests helps alert

you to that possibility and allows you to seek advice to determine whether you may act on any such matter. Second, financial disclosure statements serve as a tool to maximize public confidence in governmental decision making. Because these filings are public documents, they help strengthen accountability to the public by assuring them that, as decision makers, we are aware of and are taking steps to avoid any possible conflicts of interests that could arise in our work.

Completing State Form 700 and CEC Form 11

For Department Heads, Board Members, and Commissioners, the Annual Statement consists of a completed State Form 700 **and** the City's CEC Form 11. These forms are used to disclose reportable sources of income, investments, and interests in real property for the period January 1 through December 31, 2008. Please use the enclosed step-by-step instructions to guide you in completing your forms.

Remember to file your completed and signed Form 700 and CEC Form 11 with your department's Ethics Liaison no later than **Wednesday, April 1, 2009**. Your Ethics Liaison will date stamp the forms on the day he or she receives them, and will inventory and copy the forms prior to forwarding them to the City Ethics Commission. To accommodate the necessary processing, your Ethics Liaison may request for you to submit your forms by an earlier date. The name and extension of your Ethics Liaison appears on the enclosed instructions.

Please be aware that those who file their forms after the April 1st deadline will be subject to late filing fees of \$10 to \$35 per day.

Attention Deferred Compensation Participants:

Depending on your disclosure category and how you have allocated your Deferred Compensation funds, you may need to report your Deferred Compensation investments on your Statement of Economic Interests (SEI).

Many of the investments in the City's Deferred Compensation Plan are diversified mutual funds or annuities. As such, they do not need to be reported. However, a few of the plan's investments are not, under the law, considered mutual funds. These funds, listed below, are considered "separate accounts" or "co-mingled trusts." As such, they must be reported if they fall within your disclosure category.

For the year 2008, the following Deferred Compensation funds are reportable:

- Galliard Stable Fund
- Capital Guardian U.S. Equity Fund
- Lotsoff Small Cap Equity Fund
- State Street Russell 2000 Index Fund

Additionally, the Deferred Compensation Plan allow participants to invest in asset allocation "profile" funds, which include the Ultra Aggressive, Aggressive, Moderate, Ultra Conservative and Conservative strategies. Since these profile funds are comprised of some of the reportable funds listed, your investment in these funds may also be reportable on your SEI.